

Function 950: Undistributed Offsetting Receipts

This function comprises major offsetting receipt items that would distort the funding levels of other functional categories if they were distributed to them. This function currently includes three major items: rents and royalties from the Outer Continental Shelf (OCS); the receipt of agency payments for the employer's share of federal employee retirement benefits; and certain other offsetting receipts, such as those from broadcast spectrum auctions by the Federal Communications Commission (FCC).

Offsetting receipts are recorded as “negative outlays” because they represent voluntary payments to the government in return for goods or services (e.g., OCS royalties and spectrum receipts) or because they represent the receipt by one agency of a payment made by another.

For 2001, the conference agreement on the Republican budget resolution assumes offsetting receipts of \$46.6 billion. Over the five-year period 2001-2005, the conference agreement assumes offsetting receipts of \$245.3 billion, the same as projected under current law.

- ***Comparison to the House Resolution*** — Both the House resolution and the conference agreement assume the shifting of \$179 million that the federal agencies contribute to the retirement trust funds from 2001 back to 2000. This shift, which is a consequence of shifting the date in which federal employees are paid, is included in the 2000 Supplemental Appropriations bill. It was shown in Function 920 in the House-passed resolution, but it has been distributed to the correct function in the conference agreement.
- ***Federal Employees Pay Raise*** — The conference agreement increases federal civilian pay rates by 3.7 percent in January 2001, the same as the raise for military personnel.
- ***Agreement Drops Senate's Arctic Drilling Provisions*** — Unlike the House resolution, the Senate resolution assumed \$1.2 billion in additional oil receipts by 2005 from drilling in the Arctic National Wildlife Refuge (ANWR), which is not permitted under current law. The assumed receipts were shown in Function 950. The conference committee dropped the ANWR provision from the final agreement. For more information, see *Function 300: Natural Resources and the Environment*.